



STRATEGIC OCCUPATIONAL SAFETY AND HEALTH PARTNERSHIP

Indiana Department of Labor

And

Pepper Construction of Indiana, LLC

General Contractor/Construction Manager

For

Community Hospital East – Campus Redevelopment

December 8, 2016



Purpose and Scope of partnership agreement

The Indiana Department of Labor and Pepper Construction Company of Indiana, LLC, agree that it is in the best interest of both parties to enter into a strategic health and safety partnership for the Community Hospital East – Campus Redevelopment (hereinafter the “Project”).

The Project will consolidate the existing Community Hospital East campus from 727,000 square feet to a more efficient 537,000 square feet. Construction of the new 155-bed tower and emergency department follows make-ready departmental and utility relocations totaling 86,000 square feet along with demolition of 462,000 square feet between two buildings.

The Partnership refers to this Agreement, and the Partners are all parties collectively who are signatory to this Agreement.

It is understood that this strategic occupational safety and health partnership agreement allows for a cooperative, open, and transparent working relationship between the Indiana Department of Labor and Pepper Construction Company of Indiana, LLC, contractors, and sub-contractors.

The strategic occupational safety and health partnership agreement grants a conditional deferral of all general schedule Indiana Safety and Health Administration inspections of this site as part of this Agreement. This Agreement does not waive any aspect of the Indiana Occupational Safety and Health Act (IOSH Act) or Indiana Occupational Safety and Health Administration enforcement thereof in the event of complaint, catastrophe, serious injury, or death.

The strategic occupational safety and health partnership agreement shall cover Pepper Construction Company of Indiana, LLC, and all the Project contractors and subcontractors at this Project site. All elements of this Agreement shall be adopted by the Pepper Construction Company of Indiana, LLC, and all of the Project contractors and sub-contractors.

I. PARTNERS













The following are considered parties to this Agreement:

1. Indiana Department of Labor, by its Commissioner
2. Indiana Department of Labor – Indiana Occupational Safety and Health Administration
3. Indiana Department of Labor INSafe Division
4. Pepper Construction Company of Indiana, LLC

II. OVERARCHING GOAL OF PARTNERSHIP

The overarching goal of the Partnership is the prevention of significant injuries and fatalities (SIFs) on the Community Hospital East – Campus Redevelopment Project.

Pepper Construction of Indiana, LLC, believes that potential SIF exposures are identifiable, manageable, and measurable. Pepper Construction of Indiana, LLC, will be focusing on our project Life Saving Commitments initiative to eliminate severe potential incidents through partnering with our project contractors and tradespeople. Together, the partners will improve communications, processes, training, and the execution of work.

LIFE SAVING COMMITMENTS	
	Protect yourself against a fall when working at heights.
	Protect yourself against crushing and caught-in-between injuries.
	Protect healthcare patients, employees, and construction tradespeople through effective implementation of Infection Control and Interim Life Safety Measures.
	Do not enter an unprotected trench or excavation deeper than 5 feet.
	Verify isolation from hazardous energy sources before work begins and use the required personal protective equipment.
	Do not walk under a suspended load.
	Protect yourself against electrical hazards.
	Be aware of the safe practices required to protect yourself and your coworkers from potential hazards associated with working in proximity to mobile equipment.
	Protect and properly secure all loads and materials.
	Obtain authorization before entering a confined space.
	Protect against contact with overhead power lines.
	Be aware of the safe practices required to protect yourself and your coworkers from potential fire hazards.

A. WORKPLACE SAFETY PROGRAM

1. Pepper Construction Company of Indiana, LLC, shall implement a comprehensive workplace safety program. The program will be reviewed and approved by the Indiana Department of Labor at the beginning of the Partnership. The program and partnership may be reviewed annually to evaluate its effectiveness.
2. Upon signing of the Agreement, the Indiana Department of Labor shall conduct a review of the Pepper Construction Company of Indiana, LLC's, safety program for the Project.
3. Pepper Construction Company of Indiana, LLC, shall act as a safety mentor for all contractors and sub-contractors working on site. It is understood that under this type of labor Agreement it could be difficult to exclude certain parties from participation. Under this scenario, Pepper Construction Company of Indiana, LLC, will assume mentoring and training roles sufficient to help the contractor meet the overall performance goals.
4. Pepper Construction Company of Indiana, LLC, shall from time to time include designated Indiana Department of Labor staff to accompany the Pepper Construction of Indiana, LLC, personnel on routine audits. It is understood these tours will be generally of a non-enforcement nature.
5. Pepper Construction Company of Indiana, LLC, via its safety audit program, shall work to assure full compliance with all applicable Indiana Occupational Safety and Health Administration regulations and directives.
6. Pepper Construction Company of Indiana, LLC, shall assure that all contractors have a designated competent person on site with a minimum of OSHA 30-hour training and all applicable training for the subcontractor's scope of work.
7. Each contractor has accountability for the safety of the project and must allocate the resources necessary for implementing all required safety related codes and contract/subcontract requirements. Each contractor must abide by Contractor Responsibilities listed in the Pepper Construction of Indiana, LLC, safety manual. The safety professional or his designate shall complete daily safety audits of assigned work areas. Results of the audits will be shared with the project team monthly at a minimum.
8. Pepper Construction Company of Indiana, LLC, shall require 100% fall protection for any activity at or above six (6) feet above grade with the exception of platform ladders.
9. Pepper Construction Company of Indiana, LLC, shall require 100% compliance for any trenching or excavation activity at the Project site.

B. OPEN AND TRANSPARENT WORKING RELATIONSHIP

A key component of this Partnership is to foster an open and transparent working relationship among Pepper Construction Company of Indiana, LLC, contractors, and subcontractors working at the Project site.

1. Any OSHA recordable injury which occurs on the Project shall be reported to Pepper Construction Company of Indiana, LLC, by the appropriate subcontractor within 24 hours. Worker fatalities, in-patient hospitalizations, amputations, and enucleations (e.g. loss(es) of eye(s)) must be reported to the Indiana Occupational Safety and Health Administration per OSHA reporting requirements.
2. Pepper Construction Company of Indiana, LLC, shall report any incident of significance to the Indiana Department of Labor within 24 hours. The Indiana Department of Labor reserves the right to accompany Partnership incident investigators on significant incident investigations.
3. Pepper Construction Company of Indiana, LLC, shall provide a monthly comprehensive occupational safety progress report to the Indiana Department of Labor. It is understood that these reports may require up to 30 days for data collection and processing. Thus the January report is not due until March 1.
4. Pepper Construction Company of Indiana, LLC, shall include Indiana Department of Labor personnel in all safety discovery meetings and published safety performance reports. Non-attendance by the Indiana Department of Labor representatives shall not be construed as waiving this privilege.
5. Pepper Construction Company of Indiana, LLC, shall provide contact persons for the Indiana Department of Labor, including telephone numbers and email addresses.
6. The Indiana Department of Labor shall provide same to Pepper Construction Company of Indiana, LLC.

C. PARTNERSHIP MEASURES

The Indiana Department of Labor and Pepper Construction Company of Indiana, LLC, agree that the overall goal of the partnership, to achieve superior safety performance, will be best served by focusing on the leading metrics which have been outlined below.

Traditional lagging indicators or trailing metrics alone are insufficient measures for development, implementation and management of the Project's safety program. The Total Recordable Case (TRC) and Days Away, Restricted and Transferred (DART) rates limit looking at only negative outcomes in the past that cannot be changed rather than looking at indicators in the present that can be used as predictors of future performance. The Partners are confident that tracking, analyzing, and acting upon these leading indicators will result in superior safety performance.

Each leading indicator is a best practice associated with safety excellence. Results for these metrics will be distributed in the monthly comprehensive occupational safety progress report.

1. **Goal:** The project will implement Life Saving Commitments for the prevention of significant injuries and fatalities (SIFs).
Metric: Project Specific Safety Plans (PSSPs), Risk Assessments and Task Hazard Analysis (THAs) tools will include Life Saving Commitments for all work scopes with SIF potential.
Documentation: Review of PSSPs, Risk Assessments, and THAs for necessary Life Saving Commitment inclusion.
2. **Goal:** The project will ensure meaningful tradesperson involvement in the partnership and site safety program through the implementation of the tradesperson Safety Discovery Group.
Metric: Active tradesperson participation in the monthly Safety Discovery Group meetings.
Documentation: Monthly attendance and meeting minutes.
3. **Goal:** The project will recognize tradespeople for meaningful contributions to site safety through the "My Voice, Our Safety" recognition program.
Metric: Monthly recognition of tradespeople.
Documentation: Agenda item at monthly Safety Discovery Group meetings.
4. **Goal:** The project team will record safety observations and open issue close out using Predictive Solutions and analyze data for trending and intervention opportunities.
Metric: Publish monthly summary report for review and analysis at Safety Discovery Group meetings.
Documentation: Agenda item at monthly Safety Discovery Group meetings.
5. **Goal:** Indiana Department of Labor participation in Safety Discovery Group Meetings. The Department of Labor representative will provide analysis and commentary of monthly summary report and project metrics at the Safety Discovery Group Meetings.
Metric: Bi-monthly participation by INSafe Safety Consultant and quarterly participation of Assistant Commissioner of INSafe.
Documentation: Agenda item at monthly Safety Discovery Group meetings.
6. **Goal:** All employees have received the applicable training necessary for their scope of work; i.e. onboarding, aerial/scissor lift, forklift, hot work, fall protection and scaffold user/erector.
Metric: Verification of required training, employee training records, and hard hat stickers.
Documentation: Weekly Safety Audits.

III. PARTNERSHIP EVALUATION

The Indiana Department of Labor shall conduct an evaluation of the Partnership and all relevant data. The evaluation shall be done 12 months from the date of inception for the Agreement. The Indiana Department of Labor shall then determine, annually, if continuing in the Partnership is in the best

interests of the State of Indiana and the Indiana Department of Labor. The evaluation shall be conducted in cooperation with the Pepper Construction Company of Indiana, LLC.

This review will be largely administrative in nature, but can include site tours and employee interviews as deemed appropriate by the Indiana Department of Labor. The Indiana Department of Labor will evaluate whether or not the Project experienced an annual TRC rate of less than 3.4 and a DART rate of less than 1.7, both of which are the 2014 Indiana construction industry averages, according to the federal Bureau of Labor of Statistics' (BLS) Survey of Occupational Injuries and Illnesses (SOII).

If the Indiana Department of Labor finds the performance does not meet the parameters listed above, then Pepper Construction Company of Indiana LLC, shall submit a 60 day action plan to the Indiana Department of Labor. Pepper Construction Company of Indiana, LLC, may seek the advice and consultation of INSafe in the development and execution of this action plan. Upon completion of the 60 day period, the Indiana Department of Labor shall again review the program and make a determination if continuation of the Agreement is in the best interests of all parties.

The Indiana Department of Labor may recommend changes or amendments to the Agreement at the time of the annual evaluation. All such changes require the agreement of the Partners, and shall be in writing and signed by each party of the Agreement.

IV. PARTNERSHIP BENEFITS

1. Special recognition from the Indiana Department of Labor may include news releases, newsletter articles, and other printed or electronic materials that identify the Project as a strategic occupational safety and health partnership.
2. Contractors and sub-contractors working on the Project shall receive priority when seeking workplace safety and health consultation from INSafe. Requests for consultation may be completed and submitted using the online form available at www.in.gov/dol/insafeconsultation. For questions, please call INSafe at (317) 232-2688 or email insafe@dol.in.gov.
3. It is understood that this Agreement shall not limit the Indiana Occupational Safety and Health Administration's investigation of any complaint, serious injury or incident or fatality report. The Indiana Occupational Safety and Health Administration will provide a conditional deferral of all general schedule inspections of this site as part of this Partnership.

V. EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES

This Partnership does not preclude employees and or employers from exercising any rights provided by law nor shall it abrogate any responsibility to comply with any rule adopted under the Occupational Safety and Health Act (OSH Act).

Representatives from the Indiana Occupational Safety and Health Administration may enter the site at any time when it believes a serious compliance issue exists. No part of this Agreement shall be construed

as limiting the enforcement authority of the Indiana Occupational Safety and Health Administration or the rights of workers to protections afforded by the OSH Act.

VI. PARTNERSHIP TERM

The term of this Agreement will begin the date of signing this agreement and continue through the completion of the Community Hospital East – Campus Redevelopment.

The anticipated date of Project completion is August 31, 2019.

This Agreement may be terminated at any time by any Partner with fifteen days written notice. Should the occupational safety and health TRC rate exceed 150 percent of the Indiana construction industry averages for TRC and DART; all partners will be notified in writing of the non-compliance with the terms. The Agreement shall automatically terminate 15 days after receipt of the notice.

VIII. PARTNERSHIP CONTACT INFORMATION

Rick J. Ruble
Commissioner of Labor
Email: rruble@dol.in.gov
Phone: (317) 234-3851

Timothy E. Maley
Deputy Commissioner Labor
Email: timaley@dol.in.gov
Phone: (317) 233-3605

Michelle L. Ellison
Assistant Commissioner of Labor
Email: mellison@dol.in.gov
Phone: (317) 234-4792

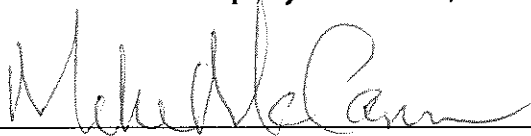
Bryan L. Thais
INSafe Safety Consultant
Email: bthais@dol.in.gov
Phone: (812) 888-4054

Dave Murphy
Safety Director
Pepper Construction Company of Indiana, LLC
Email: dmurphy@pepperconstruction.com
Phone: (317) 557-6648

Kevin Sullivan
Safety Specialist Onsite
Pepper Construction Company of Indiana, LLC
Email: ksullivan@trinitysafetygroup.com

VII. PARTNERSHIP SIGNATORIES

Pepper Construction Company of Indiana, LLC

By: 
Mike McCann, President & Chief Operating Officer
Pepper Construction Company of Indiana, LLC

Date: 12/8/16

By: 
Dave Murphy, Safety Director
Pepper Construction Company of Indiana, LLC

Date: 12/8/16

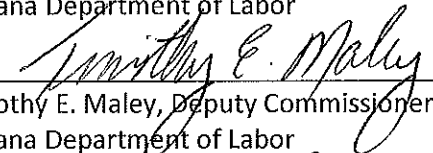
By: 
Kevin Sullivan, Safety Specialist Onsite
Pepper Construction Company of Indiana, LLC

Date: 12/8/16

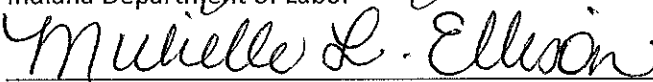
Indiana Department of Labor

By: 
Rick J. Ruble, Commissioner of Labor
Indiana Department of Labor

Date: 12/9/2014

By: 
Timothy E. Maley, Deputy Commissioner of IOSHA
Indiana Department of Labor

Date: 12/8/16

By: 
Michelle L. Ellison, Assistant Commissioner of INSafe
Indiana Department of Labor

Date: 12/8/16